

CELLULAR SOLUTIONS (NORTH EAST) LIMITED
UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2014

Company Registration Number 03800076



Baker Tilly Tax and Accounting Limited

Chartered Accountants
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CELLULAR SOLUTIONS (NORTH EAST) LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 2014

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**ACCOUNTANTS' REPORT TO THE DIRECTOR OF CELLULAR SOLUTIONS
(NORTH EAST) LIMITED ON THE UNAUDITED ABBREVIATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 JULY 2014**

In order to assist you to fulfil your duties under the Companies Act 2006, we prepared for your approval the abbreviated financial statements of Cellular Solutions (North East) Limited which comprise the Balance Sheet and the related notes as set out on pages 2 to 7 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the director of Cellular Solutions (North East) Limited in accordance with the terms of our engagement letter dated 19 March 2014. Our work has been undertaken solely to prepare for your approval the abbreviated financial statements of Cellular Solutions (North East) Limited and state those matters that we have agreed to state to him in accordance with AAF 02/10 as detailed at icaew.com/compilation. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against Baker Tilly Tax and Accounting Limited for any purpose or in any context. Any party other than the director which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, Baker Tilly Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

It is your duty to ensure that Cellular Solutions (North East) Limited has kept adequate accounting records and to prepare statutory abbreviated financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Cellular Solutions (North East) Limited under the Companies Act 2006. You consider that Cellular Solutions (North East) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the abbreviated financial statements of Cellular Solutions (North East) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated financial statements.

Baker Tilly Tax and Accounting Limited
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

21 April 2015

CELLULAR SOLUTIONS (NORTH EAST) LIMITED

Registered Number 03800076

ABBREVIATED BALANCE SHEET**31 JULY 2014**

	Note	2014 £	£	2013 £	£
Fixed assets	2				
Intangible assets			-		-
Tangible assets			128,469		128,636
			128,469		128,636
Current assets					
Stocks		3,000		3,000	
Debtors	3	1,694,733		1,672,033	
Cash at bank and in hand		-		226	
		1,697,733		1,675,259	
Creditors: Amounts falling due within one year	4	(1,204,511)		(1,311,743)	
Net current assets			493,222		363,516
Total assets less current liabilities			621,691		492,152
Creditors: Amounts falling due after more than one year	5		(540,717)		(410,760)
Provisions for liabilities			(18,136)		(21,764)
Government grants	6		4,479		5,972
			58,359		53,656
Capital and reserves					
Called-up share capital	8		20		20
Profit and loss account			58,339		53,636
Shareholders' funds			58,359		53,656

The Balance sheet continues on the following page.
The notes on pages 4 to 7 form part of these abbreviated accounts.

CELLULAR SOLUTIONS (NORTH EAST) LIMITED

Registered Number 03800076

ABBREVIATED BALANCE SHEET *(continued)*

31 JULY 2014

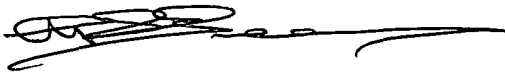
For the year ended 31 July 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

These abbreviated accounts were approved and signed by the director and authorised for issue on 9 April 2015.



Mr M A Bowers
Director

The notes on pages 4 to 7 form part of these abbreviated accounts.

CELLULAR SOLUTIONS (NORTH EAST) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 2014

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going concern

After reviewing financial and other information available, the director considers that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Cash flow statement

The company has adopted the Financial Reporting Standard for Smaller Entities (effective April 2008) and is consequently exempt from the requirement to include a cash flow statement in the financial statements.

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the year, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

Goodwill

Goodwill arising on the incorporation of the sole trader businesses is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life which is estimated to be 5 years. This length of time is presumed to be the maximum useful life of goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Goodwill - 5 years straight line

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Leasehold Property	- Over term of lease
Website Design	- 3 years straight line
Fixtures & Fittings	- 25% reducing balance/3 years straight line

CELLULAR SOLUTIONS (NORTH EAST) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 2014

1. Accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is based on a first in first out basis.

Net realisable value is based on estimated selling price.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

CELLULAR SOLUTIONS (NORTH EAST) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JULY 2014

1. Accounting policies (continued)

Government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

Revenue based grants received are credited to the profit and loss account when receivable.

2. Fixed assets

	Intangible Assets £	Tangible Assets £	Total £
Cost			
At 1 August 2013	1,650	368,902	370,552
Additions	–	26,370	26,370
At 31 July 2014	<u>1,650</u>	<u>395,272</u>	<u>396,922</u>
Depreciation			
At 1 August 2013	1,650	240,266	241,916
Charge for year	–	26,537	26,537
At 31 July 2014	<u>1,650</u>	<u>266,803</u>	<u>268,453</u>
Net book value			
At 31 July 2014	<u>–</u>	<u>128,469</u>	<u>128,469</u>
At 31 July 2013	<u>–</u>	<u>128,636</u>	<u>128,636</u>

3. Debtors

Debtors include amounts of £487,699 (2013 - £511,317) falling due after more than one year.

4. Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2014 £	2013 £
Bank loans and overdrafts	<u>21,114</u>	<u>25,106</u>

5. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2014 £	2013 £
Bank loans and overdrafts	<u>13,043</u>	<u>16,771</u>

CELLULAR SOLUTIONS (NORTH EAST) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JULY 2014

6. Government grants

	2014	2013
	£	£
Received and receivable	20,959	20,959
Amortisation	(16,480)	(14,987)
	<u>4,479</u>	<u>5,972</u>

7. Related party transactions

During the year the company paid expenses on an arms-length basis of £52,209 (2013 - £52,394) to Cellular Solutions Holdings Limited. Included in debtors at the balance sheet date was a balance of £550,903 (2013 - £583,037) due to the company. Cellular Solutions Holdings Limited is the company's parent company.

During the year the company made purchases of £Nil (2013 - £30,000) and recharged expenses of £2,700 (2013 - £Nil) from Workspace Recovery (North East) Limited. Mr M A Bowers, the director of the company, is both a director and a shareholder in this company. Included in debtors at the balance sheet date was a balance of £12,723 (2013 - £10,023) due to the company. Included in creditors at the balance sheet date was a balance of £26,307 (2013 - £26,307) due to Workspace Recovery (North East) Limited.

During the year Mr M A Bowers, the director of the company, maintained a current account with the company through which advances were made. Included in debtors at the balance sheet date was a balance of £26,274 (2013 - £21,296) due from the director. This was also the maximum amount it was overdrawn during the year. This account is unsecured, interest free and there are no fixed repayment terms.

8. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>20</u>	<u>20</u>	<u>20</u>	<u>20</u>

9. Ultimate parent company

The company's ultimate parent company is Cellular Solutions Holdings Limited, a company incorporated in England and Wales.